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DEPT FOR SA/INS, SA/PPD NSC FOR RICHELSOPH

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TAGS: PGOV PTER NP
SUBJECT: PARTIES AND MAOISTS ANNOUNCE 12 POINT
"UNDERSTANDING"

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

 $\P1$ . (U) This contains an action request. Please see paragraph  $\P14$ .

### Summary

 $\P2$ . (C) On November 22, the seven-party alliance and the Communist Party of Nepal (Maoist) separately issued a twelve point "understanding" in which both groups agreed to the goal of a constituent assembly election, a long-held Maoist demand. The Maoists and Parties confirmed that they shared the goal of ending the "autocratic monarchy," which some interpreted to mean that the King could retain a role as a ceremonial monarch. The "understanding" contains no/no Maoist commitment to give up violence, nor to extend their unilateral cease-fire, due to end December 3. The understanding called on the Royal Nepal Army (RNA) and the Maoists to turn over their weapons to the UN or another international organization during constituent assembly elections. Members of the seven-party alliance have different interpretations of the understanding's key clauses and confided that many details were still to be worked out. The Parties apparently hope that this understanding will pressure the King to reach out and start a dialogue on the way ahead. If the King does not respond, the months ahead are likely to see the Parties intensifying their demonstrations and Maoists escalating violence throughout the country -- with the common goal of bringing down the King. End Summary.

"Autocratic Monarchy" is Main Obstacle to Peace  $\dots$ 

13. (U) On November 22, the seven-party alliance and the Communist Party of Nepal (Maoist) separately made public a twelve point "understanding" in which both groups stated that the autocratic monarchy was "the main obstacle to peace," and said that "anti-regressive forces have come to an agreement to focus their attack against the autocratic monarchy independently," and bring it to an end "by intensifying the ongoing democratic movement" across the country. The statement called for "ending autocracy and establishing

absolute democracy." The Parties held a press conference in Kathmandu, while the Maoist Chairman Prachanda released the statement via the internet.

# $\dots$ But Door Open for "Ceremonial Monarchy"

14. (C) Sushil Koirala, Vice President of the Nepali Congress Party (NC), told Emboff that the 12 points signed between the seven political parties and the Maoists were just an understanding and not an agreement. Bharat Mohan Adhikari, UML Central Committee member, agreed and stressed that the 12 points did not call for the end of the monarchy, but rather an end to "autocratic monarchy." He added that he hoped the King would accept this understanding as a basis for dialogue, noting that the Parties could agree to a role for the King as the ceremonial head of government. He requested that the international community persuade the King to accept the understanding.

# Immediate Laying Down Arms Not Part of Agreement

15. (C) While the text of the understanding made no mention of the Maoists giving up violence, alliance leader G.P. Koirala (NC) told the press that "the two sides will not launch the joint movement until the Maoists surrender their arms."

Nepali Congress-Democratic (NC-D) spokesperson Minendra Rijal told Emboff that the understanding originally contained 18 points, but the Parties had pushed the Maoists to take out any language threatening future violence. Rijal maintained that the basic motivation of the Parties to enter into the agreement was to test the Maoists' claims. He said that the Parties would closely watch the activities of the Maoists to

determine whether the Maoists would become committed to multiparty democracy and democratic principles. Rijal readily admitted that the Maoists had broken commitments made recently and privately to the Parties not to interfere with political party activities in rural areas and to stop abductions. CPN-UML Central Committee Member K.P. Oli separately said that the understanding was a test and told Emboff that the Parties would continue to criticize all Maoist violence, including extortion.

16. (C) Regarding the laying down of arms in the future, People's Front Nepal (PFN) Central Committee Member Sashi Shrestha told Emboff that the Maoists and the RNA should stay inside their barracks during the election of the constituent assembly, but that did not mean that the Maoists would permanently lay down their arms. Embassy contact Nischal Pandey enumerated many specific problems with the understanding, starting with the clause calling for the RNA to turn over arms to the UN or an international observer. He noted that the RNA was a state army, and therefore was inherently different from an armed insurgency. While he had misgivings, Pandey noted that the government had to respond to the understanding.

### Will Maoists Extend Cease-fire?

17. (C) The statement made no reference to the Maoists' unilateral cease-fire, due to expire December 3, and the members of the seven party alliance did not seem to have a clue as to whether the Maoists would extend it. Rijal told us that the Maoists had given the Parties an oral agreement that they would extend the cease-fire until mid-January; Adhikari speculated that the Maoists would extend the cease-fire until the municipal elections scheduled for February 2006 in the recognition that if they resumed violence the world community would "see through their ploys." Subash Nemwang, CPN-UML Central Committee member said that he hoped that the Maoists would extend the cease-fire, as they had already said that they would move along the "new peaceful political stream." Padma Ratna Tuladhar, a civil society member with close ties to the Maoists, commented that although civil society continued to press the Maoists to

extend the cease-fire, the political parties had not been as vocal. He speculated that the Parties would not mind if the Maoists did not extend the cease-fire, as the Parties wanted to create a situation where it would be impossible to hold municipal elections. Shalaija Acharya, a dissident member of the NC, opined that the February elections would be very violent: the Maoists would kill as many candidates as they could.

Stated Goal: Constituent Assembly, With UN Monitoring

 $\P8$ . (U) The Maoists and the Parties agreed to the goal of a constituent assembly and agreed to accept the results of an election for such an assembly, noting the importance of participation of "credible international community" in the dialogue process. The understanding called for continued negotiation and dialogue to reach a common agreement on the procedural issues leading to a constituent assembly, as differences remained on how to get there. The main goal of the seven-party alliance, the understanding acknowledged, was the reinstatement of parliament, the formation of an all-party government, leading to talks with the Maoists and election to a constituent assembly, while the Maoists' goal was a national conference followed by an interim government that would oversee the election to a constituent assembly. Both groups agreed that, after bringing autocratic rule to an end, the arms of both the Royal Nepal Army and the Maoists would be supervised by the United Nations or a "dependable international body" to ensure free and fair election to the constituent assembly.

But Party Members Unclear On Way Forward

19. (C) There was no consensus among our contacts in the seven parties on the way forward, or whether Maoists would be part of an all-party government. NC Vice President Sushil Koirala said that the parties favored the reinstatement of parliament and then forming an all-party government, but without the CPN (Maoist) who were not part of the parliament. However, UML's Nemwang told us that, according to the constitution, anybody could be inducted into the government for a period of six months, so the Maoist leaders could be part of the government if the Parties agreed. PFN Shrestha agreed, claiming that the Maoists were not against the reinstatement of the parliament. She worried that things could "go wrong" if the King rejected the understanding, and so having Maoists join an all-party government should remain an option. She noted that the political problem needed to be solved politically and opined that the ball was now in the King's court.

Maoists and Parties to Boycott Municipal Elections

110. (U) The statement said the upcoming municipal and parliamentary elections had the "malicious intention" of deceiving people and the international community, and legitimizing the King's autocratic and unconstitutional rule and "will be boycotted and made unsuccessful." The groups called on civil society, journalists and intellectuals to "participate actively" in the "people's peaceful movement" launched under the common agreement. The statement did not elaborate on actions that would be taken to boycott the elections, but did "appeal" to the Nepali people and the international community to support the "democratic" movement.

Maoists To Allow Displaced to Return?

111. (C) The Maoists agreed to create a "conducive environment" to allow politicos, other "democratic forces" and "common people" who were displaced by the conflict to return home. The Maoist also agreed to return the houses and physical properties "seized unjustifiably." However, the statement gave no clear explanation of how this would be done or any criteria for unjustifiable seizures. Most party members interpreted that clause to mean all confiscated

property, however, PFN's Shrestha commented that the Maoists would decide whether there were justifiable grounds for seizing the property. The Maoists said the people "will be allowed" to participate in political activities "without any hindrance." (Comment: The Maoists had earlier agreed to allow party members return to the countryside, and have only partially kept that promise. End Comment.)

Maoists and Parties Admit Past Mistakes and Promise to Do Better

112. (C) Our Party contacts touted the understanding as having gained a commitment from the Maoists to multi-party government, civil liberties, human rights, and the rule of law. (Note: The Maoists made similar commitments before both the 2001 and 2003 negotiations with the government, but subsequently renounced those commitments. End note.) In the statement both Maoists and Parties admitted to "past mistakes" and committed not to repeat such mistakes in the future. They also agreed "to probe into past incidents and take action against the guilty." While they did not elaborate how they would do this, they did note that if future problems occurred, high level Maoist and Party leaders would "discuss and settle the issues amicably" through dialogue. Both parties also committed to respect human rights and freedom of the press during the peace process.

#### Comment

113. (C) While people have greeted the understanding with guarded optimism and as a basis to restart peace talks, most Nepalese, including those affiliated with the seven-party alliance, are trying to figure out what it means. The lack

of any provision requiring the Maoists to give up violence is troubling. The Maoists seem to have gained the Parties' acceptance of their demand for a constitutional assembly in exchange for commitments similar to promises they had made earlier. The Parties continue to insist that this is not an alliance and they will not conduct any joint action with the Maoists until they give up violence. That said, the Maoists appear to be hoping that the "understanding" will allow them to pursue military options in the countryside while party-based demonstrations disrupt the urban areas. A senior party member, recognizing the danger of this "understanding," and told us that, if the Maoists return to violence, the King could well decide to label the signatory parties terrorists and imprison them all. King Gyanendra does not return to the country until December 2, so he will have time to consider his reaction to this understanding.

#### Action Request

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- 114. (U) Post recommends the Department Spokesman consider a response along the following lines if asked to comment on the Maoist-Party understanding:
- 1Q. What is the U.S. view of the letter of understanding issued by the 7-party alliance and the Maoists?
- 1A. -- If the understanding represents a commitment by the Maoists to join the political mainstream while shunning violence, we would welcome this.
- -- As far as we can see, however, there is nothing in the understanding requiring the Maoists to give up violence, or even committing the Maoists to extending their cease-fire. Obviously, if the insurgents really seek to support the democratic process in Nepal and join the political mainstream, they will need to abandon violence.
- -- In any event, the understanding clearly underscores the urgency of the Palace's reaching out to the parties to achieve a common understanding on how to bring democracy and peace back to Nepal.

115. (U) The following is an unofficial translation of the full text of the 12 point understanding.

Begin text.

Letter of Understanding
The long struggle between a

The long struggle between absolute monarchy and democracy in Nepal has now reached a very grave and new turn. Establishing peace by resolving the 10-year old armed conflict through a forward-looking political outlet has become the need of today. Therefore, implementing the concept of absolute democracy through a forward-looking restructuring of the state has become an inevitable need to solve the problems related to class, caste, gender, region, etc. of all sectors including political, economic, social and cultural, bringing autocratic monarchy to an end and establishing absolute democracy. We make public that, against this existing backdrop and reference in the country, the following understanding has been reached between the seven parliamentary parties and the CPN (Maoist) through different methods of talks.

Twelve Points of Understanding

11. Today, democracy, peace, prosperity, social progress and a free and sovereign Nepal is the chief wish of all Nepalese. We completely agree that autocratic monarchy is the main hurdle in (realizing) this. It is our clear view that without establishing absolute democracy by ending autocratic monarchy, there is no possibility of peace, progress and prosperity in the country. Therefore, an understanding has been reached to establish absolute democracy by ending autocratic monarchy, with all forces against the autocratic monarchy focusing their attack against the autocratic monarchy independently, and bring it to an end by

intensifying the ongoing democratic movement across the country.

12. The seven-party alliance is fully convinced that sovereignty and executive right of the people can be reestablished through the reinstatement of Parliament (on the basis of people's movement); forming an all-party government with full executive power; have talks with the Maoists and elections to a constituent assembly. Whereas CPN (Maoist) believes that the people's sovereignty can be established through formation of an interim government formed after holding a national political conference of the agitating democratic forces, which will oversee the election to the constituent assembly. An understanding has been reached between the seven-parties and the CPN (Maoist) to continue dialogue on this procedural work-list and find a common understanding. It has been agreed that the force of people's movement is the only way to achieve our agreed goals. 13. The nation has demanded a constructive end to the present armed conflict and establishment of a lasting peace. Therefore, we are committed to ending autocratic monarchy and the existing armed conflict, and establishing permanent peace in the country through constituent assembly elections and forward-looking political outlet. The CPN (Maoist) expresses its commitment to move along the new peaceful political stream through this process. After bringing the autocratic monarchy to an end, we have agreed that the arms of both the Royal Nepalese Army and the Maoists will be under the supervision of the United Nations or a dependable international body to ensure free and fair election to a constituent assembly. Both parties have also agreed to accept the results of the elections. We also expect credible international mediation during the dialogue process. 14. Expressing clearly and making public institutional commitment to the democratic norms and values like the competitive multiparty system of governance, civil liberties, human rights, the concept of the rule of law, fundamental rights etc. the CPN (Maoist) has expressed commitment to act accordingly.

15. The CPN (Maoist) has expressed its commitment to create an environment allowing the political activists of other democratic parties and common people, who were displaced

during the course of the armed conflict, to return to their former localities and live there with dignity. The Maoists have also agreed to return the houses, land and property of people and party cadre seized unjustifiably. People will be allowed to take part in political activities without hindrance.

- 16. The CPN (Maoist) has also agreed to criticize itself for its past mistakes and has expressed commitment not to repeat such mistakes in the future.
- ¶7. The seven political parties, undertaking self evaluation of their past mistakes, have expressed commitment not to repeat such mistakes which were committed while in parliament and in government in the future.
- 18. During the peace process, commitment has been expressed to fully respect the norms and values of human rights and press freedom and move ahead accordingly.
- 19. As the announcement of municipal polls pushed forward with the malicious intention of deluding the people and the international community and giving continuity to the autocratic and illegitimate rule of the King, and the talk of elections to Parliament are a crafty ploy, we announce to actively boycott them and call upon the general public to make such elections a failure.
- 110. The people and their representative political parties are the real guardians of nationalism. Therefore, we are firmly committed to protecting the independence, sovereignty, geographical integrity of the country and national unity. Based on the principle of peaceful co-existence, it is our common obligation to maintain friendly relations with all countries of the world -- especially with our neighbors India and China. But we request the patriotic masses to be cautious against the false attempt by the King and (his) loyalists to prolong his autocratic and illegitimate rule and delude the patriotic people by projecting the illusory "Mandale" nationalism and questioning the patriotism of the political parties, and appeal to the international powers and the people to support, in every possible way, the democratic

movement against autocratic monarchy in Nepal.

- 111. We appeal to all people, civil society, professional organizations, various wings of parties, people of all communities and regions, press and intellectuals to actively participate in the peaceful movement launched on the common understanding based on democracy, peace, prosperity, social transformation and the country's independence, sovereignty, and pride.
- 112. Regarding the inappropriate conducts that took place between the parties in the past, a common commitment has been expressed to investigate any objection raised by any party over such incidents, take action if found guilty, and to make the action public. An understanding has been reached to settle any problem emerging between the parties through peaceful dialogue at the concerned level or at the leadership level.

End text. MORIARTY